

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

JULIE A. SU, ACTING SECRETARY OF LABOR,
UNITED STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

SFBC PITTSBURGH, LLC, and HARRY
GIANNOPOULOS,

Defendants.

COMPLAINT

Plaintiff Julie A. Su, Acting Secretary of Labor, United States Department of Labor (“Plaintiff”) brings this action to enjoin SFBC Pittsburgh, LLC, and Harry Giannopoulos (“Defendants”) from violating the provisions of Sections 6, 11(c), 15(a)(2) and 15(a)(5) of the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201, *et seq.* (“FLSA”), and for a judgment against Defendants in the total amount of back wage compensation and tips found by the Court to be due to any of the employees of Defendants pursuant to the FLSA and an equal amount due to the employees of Defendants in liquidated damages.

1. Jurisdiction of this action is conferred upon the Court by Sections 16(c) and 17 of the FLSA, 29 U.S.C. §§ 216(c) and 217, and by 28 U.S.C. §§ 1331 and 1345.

2. Defendant SFBC Pittsburgh, LLC (“Sly Fox Brewing”) is, and at all times hereinafter referenced was, a Pennsylvania corporation with a registered business address at 331 Circle Progress Drive, Pottstown, PA 19464 and principal places of business at 300 Liberty Avenue #100, Pittsburgh, PA 15222 (operating under the name “Sly Fox Pittsburgh Taphouse at

the Point”) and 464 S. Street Pittsburgh, PA 15219 (operating under the name “Sly Fox Pittsburgh at the Highline”). Defendant is in the business of operating a chain of restaurants and breweries.

3. Defendant Harry Giannopoulos (“Giannopoulos”) is the partial owner and Chief Financial Officer of Sly Fox Brewing and is responsible for establishing the pay practices and policies of Sly Fox Brewing. Giannopoulos resides in Chester County, Pennsylvania and owns and operates businesses at 300 Liberty Avenue #100, Pittsburgh, PA 15222 and 464 S. Street Pittsburgh, PA 15219, which are within the jurisdiction of this Court. He regularly controlled the work to be done by the employees and prescribed how the work should be performed. He held meetings with employees to discuss the operations of the business. At all times relevant herein, he set pay rates, schedules employees, and handles wage payment questions. Giannopoulos has directed employment practices and has acted directly or indirectly in the interest of Sly Fox Brewing in relation to its employees at all times relevant herein, and was an employer of said employees within the meaning of Section 3(d) of the Act.

4. Defendants own and operate restaurants and restaurant/breweries at 300 Liberty Avenue #100, Pittsburgh, PA 15222, 464 S. Street Pittsburgh, PA 15219, 520 Kimberton Road, Phoenixville, PA 19460, 20 Liberty Blvd., Suite 100, Malvern, PA 19355, 820 Knitting Mls Way #100, Wyomissing, PA 19610, and 331 Circle Progress Drive, Pottstown, PA 19464.

5. Defendants’ business activities, as described herein, are and were related and performed through unified operation or common control for a common business purpose and constitute an enterprise within the meaning of Section 3(r) of the FLSA.

6. At all times relevant herein, Defendants have employed and are employing employees in and about their place of business in the activities of an enterprise engaged in commerce or in the production of goods for commerce, including through the purchase and use of

brewery equipment, food, and beverages manufactured in other states and countries. Further, at all times relevant herein, Defendant Sly Fox Brewing has had an annual gross volume of sales made or business done in an amount not less than \$500,000.00. Therefore, the employees are employed in an enterprise engaged in commerce or in the production of goods for commerce within the meaning of Section 3(s)(1)(A) of the FLSA.

7. From at least January 4, 2021 through at least December 31, 2023, Defendants willfully violated the provisions of Sections 3(m)(2)(B), 6 and 15(a)(2) of the FLSA, 29 U.S.C. §§ 203(m)(2)(B), 206 & 215(a)(2), by allowing managers keep employees' tips and by employing many of their employees in an enterprise engaged in commerce or in the production of goods for commerce without paying them a minimum of \$7.25 per hour as required by Section 6 of the FLSA. Therefore, said Defendants are liable for the payment of unpaid minimum wages and improperly seized tips, and an equal amount in liquidated damages, under Section 216(c) of the Act.

8. For example, during the time period from at least January 4, 2021 through at least December 31, 2023, Defendants paid their employees less than \$7.25 an hour and claimed a tip credit for the remainder, but improperly included managers in a tip pool. Defendants' failure to pay an hourly rate of at least \$7.25 per hour violated the minimum wage requirement of the FLSA, and the managers' taking of employees' tips violated Section 3(m)(2)(B) of the FLSA.

9. Defendants willfully violated the provisions of Sections 11(c) and 15(a)(5) of the FLSA in that Defendants failed to make, keep, and preserve adequate and accurate records of their employees' wages and hours, as prescribed by the regulations issued and found at 29 C.F.R. Part 516. For example, from at least January 4, 2021 through at least December 31, 2023, Defendants failed to keep adequate records regarding all tips received by their employees.

WHEREFORE, cause having been shown, the Acting Secretary prays for judgment against Defendants:

(1) For an injunction issued pursuant to Section 17 of the Act permanently enjoining and restraining Defendants, their officers, agents, servants, employees, and those persons in active concert or participation with Defendants who receive actual notice of any such judgment, from violating the provisions of Sections 6, 11(c), 15(a)(2) and 15(a)(5) of the Act;

(2) For judgment pursuant to Section 16(c) of the Act finding Defendants liable for unpaid tips and minimum wage compensation due to certain of Defendants' current and former employees listed in the attached Schedule A for the period from at least January 4, 2021 through at least December 31, 2023, and for an equal amount due to certain of Defendants' current and former employees in liquidated damages. Additional amounts of back wages, tips and liquidated damages may also be owed to certain current and former employees of Defendants listed in the attached Schedule A for violations continuing after December 31, 2023, and may be owed to certain current and former employees presently unknown to the Acting Secretary for the period covered by this Complaint, who may be identified during this litigation and added to Schedule A;

(3) For an injunction issued pursuant to Section 17 of the Act restraining Defendants, their officers, agents, employees, and those persons in active concert or participation with Defendants, from withholding the amount of unpaid minimum wage compensation found due Defendants' employees; and

(4) In the event liquidated damages are not awarded, for an Order awarding prejudgment interest computed at the underpayment rate established by the Secretary of the Treasury pursuant to 26 U.S.C. § 6621.

FURTHER, Plaintiff prays that this Honorable Court award costs in her favor, and an order granting such other and further relief as may be necessary and appropriate.

Dated: August 19, 2024

Respectfully submitted,

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